

**CALIFORNIA EXPOSITION & STATE FAIR
HORSE RACING COMMITTEE**

Notice of Regular Meeting

To Be Held
Thursday, March 26, 2009 at 3:30 p.m.
In the Administration Building Boardroom
California Exposition & State Fair
1600 Exposition Blvd., Sacramento, CA 95815

COMMITTEE MEMBERS: Steve Beneto, Chair Director Bert Johnson
 Director Gil Albiani

MISSION STATEMENT

The mission of the Horse Racing Committee shall be to request staff analysis, review staff recommendations and make recommendations to the Board on policy matters concerning live horse racing and satellite wagering, including the activities themselves, their facilities and related legislation.

PUBLIC COMMENTS

Any member wishing to address the Board on any matter listed for consideration on this agenda shall fill out a Speaker's Form and provide it to the Board's Recording Secretary. All speakers will be recognized by the Chair and be allowed a maximum of three minutes to address the Board.

AGENDA

All matters noticed on this agenda, in any category, may be considered for action as listed. Any item not so noticed may not be considered.

NEW BUSINESS

1. Consider Staff Recommendation for Cal Expo/CHHA Agreement Extension, Purse Increase, Sponsored Races

MATTERS OF INFORMATION

1. Staff Reports (HR 1-4)
2. Cal Expo Harness Meet Handle/Purses Generated Comparisons
3. Satellite Wagering Commissions Comparison 2009 vs. 2008

ADJOURNMENT

Date of Notice: March 16, 2009

Pursuant to the American with Disabilities Act, individuals who, because of a disability, need special assistance to attend or participate in any Cal Expo Board, Committee or any Advisory meetings, or in connection with other Cal Expo activities, may request assistance at the Cal Expo Administration Building office, 1600 Exposition Boulevard, or by calling 916-263-3247, during normal business hours. Requests should be made one week in advance whenever possible.

State of California

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MEMORANDUM

Date: March 13, 2009

To: Board of Directors
California Exposition & State Fair

Via: Norbert J. Bartosik, General Manager/CEO
California Exposition & State Fair

From: David Elliott, Assistant General Manager, Racing Events
California Exposition & State Fair

Subject: March Board Report

1. Cal Expo/CHHA Agreement Extension, Purse Increase, Sponsored Races
2. Cal Expo Harness Meet Handle/Purses Generated Comparisons
3. Satellite Wagering Commissions Comparison 2009 vs. 2008

Cal Expo/CHHA Agreement Extension, Purse Increase, Sponsored Races

The attached letter serves as a proposal to the California Harness Horsemen's Association for:

- A. Extending the current agreement from December 20, 2009 to December 17, 2011
- B. The investment of \$48,000 to the purse pool which will serve to offer Cal Expo sponsored races. (6 sets of races at \$8,000 each)
- C. A purse increase to the horsemen at a minimum of 10%.

A representative from the CHHA will be present to address the proposal.

Cal Expo Harness Meet Handle/Purses Generated Comparisons

	<u>Racing Days</u>	<u>Total Handle</u>	<u>Total Purses</u>	<u>Average Daily Handle</u>	<u>Average Daily Purses</u>
Jan/Feb 2009	27	24,395,494	1,201,131	903,537	44,486
Jan/Feb 2008	32	27,043,785	1,309,979	845,118	40,936

Satellite Wagering Commissions Comparison 2009 vs. 2008

	Satellite Commissions	ADW Commissions	Total
February 2009	39,869	15,276	55,145
February 2008	48,993	16,071	65,064
2009	136,594	30,848	167,442
2008	149,648	32,574	182,222



March 12, 2009

Mr. Jimmy Perez
Executive Director
California Harness Horsemen's Association
PO Box 254767
Sacramento, CA 95865-4767

Dear Jimmy:

On March 26, 2009, the Cal Expo racing committee will meet to discuss a variety of issues. One of the issues the committee will be discussing is the immediate future of harness racing at Cal Expo. We are sensitive to the concerns of the horsemen competing at and supporting the harness racing meet at Cal Expo relative to the latest various reports of a conceptual plan to build an arena at Cal Expo, a harness racing meet at the Fresno Fair, a harness racing meet at Los Alamitos, and the addition of Thoroughbred dates at Cal Expo.

With that said, we offer the following facts:

1. The current CHHA Agreement expires on December 20, 2009.
2. The current overpayment of purses from September 18, 2008 to March 7, 2009 is \$48,236.57.
3. The harness meet conducted by Cal Expo from March 6, 2008 through August 2, 2008 generated an underpayment of purses in the amount of \$27,185 that was carried over to the Fall 2008 meet.
4. The current trend of wagering compared to the same January/February period in 2008 has resulted in an increase of 6% and 8% respectively in average daily handle and purse money generated.

We are willing to propose to our Cal Expo Racing Committee whatever appropriate action is necessary to alleviate some of the stress and anxiety the horsemen are experiencing due to the series of recently published articles.

With your concurrence and input, here is what we are willing to propose:

1. Extend the current Cal Expo/CHHA agreement to December 17, 2011.
2. Cal Expo will sponsor races in the amount of \$48,000 for late closer type events that will be contested in April and May of 2009 and the funds shall remain exclusive of the purse pool.

HR 3

CALIFORNIA EXPOSITION & STATE FAIR

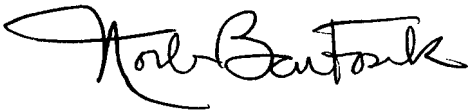
P.O. Box 15649 · Sacramento, CA 95852-1649 State of California Arnold Schwarzenegger, Governor

Mr. Jimmy Perez
March 12, 2009
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3. Provide a purse increase in the majority of the races currently being contested by a minimum of 10%.

We respectfully request your attendance at the March 26 Cal Expo Racing Committee meeting to provide us with your input related to these items.

Respectfully,
CALIFORNIA EXPOSITION & STATE FAIR



Norbert J. Bartosik,
General Manager/CEO

cc: Cal Expo Board of Directors
Kirk Breed
David Elliott
Cal Expo Horsemen
Brian May